

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

GEOGRAPHIC PARTITIONING AND SPECTRUM)
DISAGGREGATION BY COMMERCIAL MOBILE)
RADIO SERVICES LICENSEES)

WT Docket No. 96-148

IMPLEMENTATION OF SECTION 257 OF THE)
COMMUNICATIONS ACT -)
ELIMINATION OF MARKET ENTRY BARRIERS)

GN Docket No. 96-113

To: The Commission

COMMENTS OF LIBERTY CELLULAR, INC.

Liberty Cellular, Inc. ("Liberty"), by its attorneys and pursuant to FCC Rule Section 1.415, respectfully submits these Comments in response to a Notice of Proposed Rule Making released by the Commission on July 15, 1996 (FCC 96-287) (hereafter the "NPRM"). Through these comments, Liberty supports the Commission's proposal for partitioning and spectrum disaggregation.

Introduction

1. Liberty is a Kansas corporation headquartered in Salina, Kansas. Liberty is owned by twenty-five local exchange carriers, directly or through affiliates, who participate in regional ownership of cellular radio facilities, common carrier point-to-point microwave radio service facilities, and a fiber optic network, as well as related, supporting facilities. All of Liberty's cellular facilities are in Kansas Rural Service Areas. Liberty's interest in this matter derives from the possibility that

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it, or its owners, may have partitioning opportunities for PCS in other areas if the subject proposal is implemented.

2. Liberty supports the FCC's proposed rule changes with regard to partitioning and spectrum disaggregation as both pro-competitive and the best use of spectrum.

**The Proposed Partitioning and Spectrum
Disaggregation Rules are Pro-Competitive**

3. Liberty agrees with the Commission's observation that a partitioning scheme will facilitate participation by a variety of diverse groups, not just rural telephone companies (rural telcos) and other designated entities, in the provision of broadband services. Opening up the restrictions placed on a licensee once it has paid for the license allows the licensee to have the flexibility to provide service most valuable to its consumers, thus furthering a competitive marketplace.

4. Liberty agrees that loosening the five year restriction against entrepreneurial partitioning and the five-year construction requirement for disaggregation removes market entry barriers for small entities. Without such a stringent restriction smaller businesses and members of minority groups can obtain less capital intensive licenses not necessarily available to them through the competitive bidding process.

5. Adoption of alternate restrictions in this area is not appropriate. Imposing additional restrictions in place of these five year benchmarks would only serve to impede the purpose of

lifting the restrictions in the first place. Further hurdles to partitioning and disaggregation would only serve to delay or block the opening of the market to smaller, more diverse entities.

**The Proposed Partitioning and Spectrum
Disaggregation Rules Offer the Best Use of Spectrum**


6. Liberty supports the Commission's conclusion that partitioning and disaggregation could allow the broadband PCS licensees to tailor their business strategies and allow them to use spectrum more efficiently.

7. Establishing the proposed flexible construction and coverage requirements allows for faster and more complete coverage in unserved and underserved areas.

Accordingly, Liberty supports the Commission's proposal to expand partitioning and disaggregation opportunities as a means to promote competition among carriers and availability of diverse services to the public.

Respectfully submitted,

LIBERTY CELLULAR, INC.

By: 
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August 14, 1996

CERTIFICATE OF SERVICE

I, Loren Costantino, a secretary in the law office of Lukas, McGowan, Nace & Gutierrez, hereby certify that I have, on this 14th day of August, 1996, had a copy of the foregoing Comments of Liberty Cellular, Inc. hand-delivered to the following:

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